

FILED
10/01/2019

JULIA C. DUDLEY, CLERK
BY: /s/ J. JONES
DEPUTY CLERK

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
CHARLOTTESVILLE DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN M. VEST, JR.,

Defendant.

Civil No. 3:19-cv-00061

COMPLAINT

Plaintiff, the United States of America, on behalf of the U.S. Department of Agriculture Farm Service Agency (USDA-FSA), successor to the Farmers Home Administration, hereby alleges as follows:

INTRODUCTION

1. This action is brought by the United States of America to collect an unpaid farm loan made by USDA-FSA to Defendant John M. Vest, Jr.

2. Defendant has failed to pay USDA-FSA for a loan it made to Defendant in 1999, which has a balance of \$58,141.81, inclusive of interest as of September 5, 2019. As a result, the United States seeks “to recover a judgment on [the] debt” pursuant to the Federal Debt Collection Procedures Act (FDCPA). 28 U.S.C. § 3001(a).

JURISDICTION AND VENUE

3. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1345 because the

United States of America is the plaintiff.

4. Venue is proper in the Western District of Virginia pursuant to 28 U.S.C. §§ 1391(b)(1) and 3001(b) because Defendant resides in the Western District of Virginia.

PARTIES

5. Plaintiff is the United States of America acting pursuant to its authority under the FDCPA to collect debt owed to the United States.

6. Defendant is John M. Vest, Jr., who resides in North Garden, Virginia.

FACTS

7. On August 27, 1999, USDA-FSA advanced Defendant \$68,320.00 for a personal farm loan (Loan No. 44-01). On September 10, 1999, Defendant signed a promissory note to USDA-FSA for a principal amount of \$68,320.00, charging 5% interest per annum. The subject promissory note is attached hereto as Exhibit A and is incorporated herein by reference.

8. Defendant became delinquent on his loan. In 2004, Defendant requested primary loan servicing, accepted the offer to restructure his loan, and on June 17, 2004, Defendant signed rescheduled promissory note 44-02 to USDA-FSA for \$74,787.78, at a rate of 3.5% interest per annum for ten years (Loan No. 44-02). The subject promissory note is attached hereto as Exhibit B and is incorporated herein by reference.

9. Defendant failed to make his June 17, 2010 payment. USDA-FSA attempted to work with the Defendant to bring account current, but the delinquency was never cured.

10. On May 16, 2014, USDA-FSA filed a continuation of their financing statement with the Virginia State Corporation Commission to ensure its security interest remained perfected. In so doing, USDA-FSA incurred a \$20.00 filing fee, which was charged to Defendant. The receipt

for the filing fee is attached hereto as Exhibit C and is incorporated herein by reference.

11. USDA-FSA accelerated Defendant's loan on October 4, 2016, which declared the entire indebtedness immediately due and payable. Defendant did not respond to USDA-FSA's acceleration letter.

12. The loans listed above were secured by signed security agreements and financing statements filed with the State Corporation Commission.

13. USDA-FSA is unable to enforce its perfected lien on collateral, as it has either been disposed of or is in such poor condition as to render it valueless.

UNITED STATES' CLAIM FOR JUDGMENT ON DEBT

14. The United States incorporates by reference the allegations contained in paragraphs 1 through 13.

15. Defendant agreed to repay to USDA-FSA the rescheduled principal amount of Loan No. 44-02 and Loan No. 44-98, with interest, according to the schedule stated in the promissory note.

16. Defendant has failed to make payments to USDA-FSA as set forth in the promissory note.

17. On October 4, 2016, USDA-FSA sent Defendant an acceleration letter, which declared the entire indebtedness immediately due and payable. Defendant did not respond.

18. As of September 5, 2019, the principal balance owed on Defendant's loans is \$46,097.88, with interest in the amount of \$12,043.93. Interest continues to accrue on these loans at a daily rate of about \$4.42. *See* Affidavit of Indebtedness, Ex. D.

19. Defendant owes the United States a debt as defined by the FDCPA.

PRAYER FOR RELIEF

The United States of America respectfully requests the following relief:

1. A Judgment against Defendant for the unpaid principal balance and interest of his USDA-FSA loans, in an amount not less than \$58,141.81, plus interest accruing after September 5, 2019, pursuant to the FDCPA;
2. A Judgment against Defendant for the 10% surcharge authorized by the FDCPA, 28 U.S.C. § 3011(a); and
3. Any other appropriate relief.

Respectfully submitted,

THOMAS T. CULLEN
UNITED STATES ATTORNEY

Date: October 1, 2019

/s/ Krista Consiglio Frith

Krista Consiglio Frith
Assistant United States Attorney
Virginia State Bar No. 89088
P. O. Box 1709
Roanoke, VA 24008-1709
Telephone: (540) 857-2250
Facsimile: (540) 857-2283
Email: krista.frith@usdoj.gov

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

UNITED STATES

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
Krista Consiglio Frith
US Attorneys Office
3101st St. SW, Room 906, Roanoke, VA 24011

DEFENDANTS

John M. Vest, Jr.

County of Residence of First Listed Defendant Albemarle County
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

28 U.S.C. 1345

Brief description of cause:

Suit to obtain judgment against the defendant for default on USDA farm loan promissory notes.

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$
58,141.81

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE _____

DOCKET NUMBER _____

DATE

10/01/2019

SIGNATURE OF ATTORNEY OF RECORD

/s/ Krista Consiglio Frith

FOR OFFICE USE ONLY

RECEIPT #

Case 3:19-cv-00061-GEC Document 1-1 Filed 10/01/19 Page 1 of 1 PageID#: 5

PROMISSORY NOTE

Name JOHN M. VEST, JR		KIND OF LOAN Type: <u>OL</u> <input type="checkbox"/> Regular <input checked="" type="checkbox"/> Limited Resource Pursuant to: <input type="checkbox"/> Consolidated Farm & Rural Development Act <input type="checkbox"/> Emergency Agricultural Credit Adjustment Act of 1978
State VIRGINIA	County ALBEMARLE	
Case No. 54-002-0229823282	Date SEPTEMBER 10, 1999	
Fund Code 44	Loan No. 01	
		ACTION REQUIRING NOTE <input checked="" type="checkbox"/> Initial loan <input type="checkbox"/> Rescheduling <input type="checkbox"/> Subsequent loan <input type="checkbox"/> Reamortization <input type="checkbox"/> Consolidated & subsequent loan <input type="checkbox"/> Credit sale <input type="checkbox"/> Consolidation <input type="checkbox"/> Deferred payments <input type="checkbox"/> Conservation easement <input type="checkbox"/> Debt write down

FOR VALUE RECEIVED, the undersigned Borrower and any cosigners jointly and severally promise to pay to the order of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, (herein called the "Government"), or its assigns, at its office in HC 02 BOX 370-A BUCKINGHAM, VA 23921

_____, or at such other place as the Government may later designate in writing, the principal sum of SIXTY-EIGHT THOUSAND THREE HUNDRED TWENTY DOLLARS AND NO/100 dollars

(\$ 68,320.00), plus interest on the unpaid principal balance at the **RATE** of FIVE percent (05.0000 %) per annum and

0 dollars (\$ 0) of Noncapitalized interest. If this note is for a Limited Resource loan (indicated in the "Kind of Loan" box above) the Government may **CHANGE THE RATE OF INTEREST**, in accordance with regulations of the Farmers Home Administration, not more often than quarterly, by giving the Borrower thirty (30) days prior written notice by mail to the Borrower's last known address. The new interest rate shall not exceed the highest rate established in regulations of the Farmers Home Administration for the type of loan indicated above.

Principal and interest shall be paid in 7 installments as indicated below, except as modified by a different rate of interest, on or before the following dates:

\$ <u>9,000.00</u>	on <u>9-10-00</u>	;	\$ <u>12,361.00</u>	on <u>9-10-01</u>	;
\$ <u>12,361.00</u>	on <u>9-10-02</u>	;	\$ <u>12,361.00</u>	on <u>9-10-03</u>	;
\$ <u>12,361.00</u>	on <u>9-10-04</u>	;	\$ <u>12,361.00</u>	on <u>9-10-05</u>	;
\$ <u>12,361.00</u>	on <u>9-10-06</u>	;	\$ _____	on _____	;
\$ _____	on _____	;	\$ _____	on _____	;
\$ _____	on _____	;	\$ _____	on _____	;

and \$ N/A thereafter on N/A of each N/A until the principal and interest are fully paid except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable 7 years from the date of this note, and except that prepayments may be made as provided below. The consideration for this note shall also support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan funds shall be advanced to the Borrower as requested by Borrower and approved by the Government. Approval by the Government will be given provided the advance is requested for a purpose authorized by the Government. Interest shall accrue on the amount of each advance from its actual date as shown in the Record of Advances at the end of this note. Borrower authorizes the Government to enter the amount(s) and date(s) of such advance(s) in the Record of Advances.

For each rescheduled, reamortized or consolidated note for applications for Primary and Preservation Loan Service Programs received prior to November 28, 1990, interest accrued to the date of this instrument which is more than 90 days overdue shall be added to principal and such new principal shall accrue interest at the rate evidenced by this instrument. For applications for Primary and Preservation Loan Service Programs received on or after November 28, 1990, all unpaid interest accrued to the date of this instrument shall be added to the principal and such new principal shall accrue interest at the rate evidenced by this instrument.

Every payment made on any indebtedness evidenced by this note shall be applied first to a portion of any interest which accrues during the deferral period, second to accrued interest to the date of the payment on the note account and then to the principal. Nonprogram loans are not eligible for deferral.

Prepayments of scheduled installments, or any portion of these installments, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations (7 CFR §1951.8) of the Farmers Home Administration according to the source of funds involved, shall, after payment of interest, be applied to the last installments to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments as scheduled in this note.

If the Government at any time assigns this note and insures the payment of it, Borrower shall continue to make payments to the Government as collection agent for the holder. While this note is held by an insured holder, prepayments made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on an installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an installment due date basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between such date and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection of this note or to preserve or protect any security for the loan or otherwise expended under the terms of any security agreement or other instrument executed in connection with the loan evidenced by this note, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced by this note and be immediately due and payable by Borrower to the Government without demand.

Property constructed, improved, purchased, or refinanced in whole or in part with the loan evidenced by this note shall not be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. Unless the Government consents otherwise in writing, Borrower will operate such property as a farm if this is a Farm Ownership loan.

If "Consolidation and subsequent loan," "Debt write down," "Consolidation," "Rescheduling," or "Reamortization" is indicated in the "Action Requiring Note" block above, this note is given to consolidate, reschedule or reamortize, but not in satisfaction of the unpaid principal and interest on the following described note(s) or assumption agreement(s) (new terms):

FUND CODE/ LOAN NO.	FACE AMOUNT	INT. RATE	DATE	ORIGINAL BORROWER	LAST INSTALL. DUE
	\$	%	, 19		, 19
	\$	%	, 19		, 19
	\$	%	, 19		, 19
	\$	%	, 19		, 19
	\$	%	, 19		, 19
	\$	%	, 19		, 19
	\$	%	, 19		, 19

Security instruments taken in connection with the loans evidenced by these described notes and other related obligations are not affected by this consolidating, rescheduling or reamortizing. These security instruments shall continue to remain in effect and the security given for the loans evidenced by the described notes shall continue to remain as security for the loan evidenced by this note, and for any other related obligations.

REFINANCING (GRADUATION) AGREEMENT: If at any time it shall appear to the Government that the Borrower may be able to obtain financing from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept a loan(s) in sufficient amount to pay this note in full and, if the lender is a cooperative, to pay for any necessary stock. The provisions of this paragraph do not apply if the loan represented by this promissory note was made to the Borrower as a non-program loan.

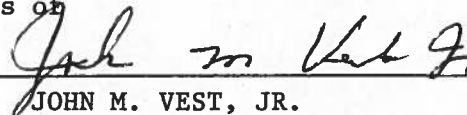
HIGHLY ERODIBLE LAND AND WETLAND CONSERVATION AGREEMENT: Borrower recognizes that the loan described in this note will be in default should any loan proceeds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity as further explained in 7 CFR Part 1940, Subpart G, Exhibit M. If (1) the term of the loan exceeds January 1, 1990, but not January 1, 1995, and (2) Borrower intends to produce an agricultural commodity on highly erodible land that is exempt from the restrictions of Exhibit M until either January 1, 1990, or two years after the Soil Conservation Service (SCS) has completed a soil survey for the Borrower's land, whichever is later, the Borrower further agrees that, prior to the loss of the exemption from the highly erodible land conservation restrictions found in 7 CFR Part 12, Borrower must demonstrate that Borrower is actively applying on that land which has been determined to be highly erodible, a conservation plan approved by the SCS or the appropriate conservation district in accordance with SCS's requirements. Furthermore, if the term of the loan exceeds January 1, 1995, Borrower further agrees that Borrower must demonstrate prior to January 1, 1995, that any production of an agricultural commodity on highly erodible land after that date will be done in compliance with a conservation system approved by SCS or the appropriate conservation district in accordance with SCS's requirements.

DEFAULT: Failure to pay when due any debt evidenced by this note or perform any covenant of agreement under this note shall constitute default under this and any other instrument evidencing a debt of Borrower owing to, insured or Guaranteed by the Government or securing or otherwise relating to such debt; and default under any such other instrument shall constitute default under this note. **UPON ANY SUCH DEFAULT**, the Government at its option may declare all or any part of any such indebtedness immediately due and payable.

This Note is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act, or the Emergency Agricultural Credit Adjustment Act of 1978 and for the type of loan as indicated in the "Kind of Loan" block above. This Note shall be subject to the present regulations of the Farmers Home Administration and to its future regulations not inconsistent with the express provisions of this note.

Presentment, protest, and notice are waived.

*Wherever "Farmers Home Administration"
"FmHA" "Rural Development Administration"
"RDA" may appear the term "United States of
America" is substituted"
(SEAL)


JOHN M. VEST, JR. (Borrower)


North Garden, VA 22959

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE
\$ 68,320.00	8-27-99	\$		\$	
\$		\$		\$	
\$		\$		\$	
\$		\$		\$	
TOTAL				\$ 68,320.00	

*U.S. Government Printing Office: 1993 — 755-045/80003

FILE COPY

PROMISSORY NOTE

1. Name JOHN M. VEST, JR.	
2. State Virginia	3. County Albemarle
4. Case Number 54-02-229823282	5. Date June 17, 2004
6. Fund Code 44	7. Loan Number (01) 02

8. KIND OF LOAN

Type: OL ☒ Regular
☐ Limited Resource

Pursuant to:
☒ Consolidated Farm & Rural Development Act
☐ Emergency Agricultural Credit Adjustment Act of 1978

9. ACTION REQUIRING NOTE

<input type="checkbox"/> Initial loan	<input checked="" type="checkbox"/> Rescheduling
<input type="checkbox"/> Subsequent loan	<input type="checkbox"/> Reamortization
<input type="checkbox"/> Consolidated & subsequent loan	<input type="checkbox"/> Credit sale
<input type="checkbox"/> Consolidation	<input type="checkbox"/> Deferred payments
<input type="checkbox"/> Conservation easement	<input type="checkbox"/> Debt write down

FOR VALUE RECEIVED, the undersigned Borrower and any cosigners jointly and severally promise to pay to the order of the United States of America, acting through the Farm Service Agency, United States Department of Agriculture, (herein called the "Government"), or its assigns, at its office in P. O. Box 70, 70 Dick Huff Lane, Verona, VA 24482-0070

_____, or at such other place as the Government may later designate in writing, the principal sum of
Seventy-four thousand seven hundred eighty-seven and 78/100----- dollars

(\$ 74,787.78-----), plus interest on the unpaid principal balance at the RATE of

Three and one-half----- percent (3.50----- %) per annum and

N/A----- dollars (\$ N/A-----)

of Noncapitalized interest. If this note is for a Limited Resource loan (indicated in the "Kind of Loan" box above) the Government may **CHANGE THE RATE OF INTEREST**, in accordance with regulations of the Farm Service Agency, not more often than quarterly, by giving the Borrower thirty (30) days prior written notice by mail to the Borrower's last known address. The new interest rate shall not exceed the highest rate established in regulations of the Farm Service Agency for the type of loan indicated above.

Principal and interest shall be paid in (10) Ten installments as indicated below, except as modified by a different rate of interest, on or before the following dates:

\$ <u>2,278.00</u> on <u>6/17/2005</u>	;	\$ <u>9,837.00</u> on <u>06/17/2006</u>	;
\$ <u>N/A</u> on <u>N/A</u>	;	\$ <u>N/A</u> on <u>N/A</u>	;
\$ <u>N/A</u> on <u>N/A</u>	;	\$ <u>N/A</u> on <u>N/A</u>	;
\$ <u>N/A</u> on <u>N/A</u>	;	\$ <u>N/A</u> on <u>N/A</u>	;
\$ <u>N/A</u> on <u>N/A</u>	;	\$ <u>N/A</u> on <u>N/A</u>	;
\$ <u>N/A</u> on <u>N/A</u>	;	\$ <u>N/A</u> on <u>N/A</u>	;

and \$ 9,837.00 thereafter on 6/17 of each year until the principal and interest are fully paid except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable (10) Ten years from the date of this note, and except that prepayments may be made as provided below. The consideration for this note shall also support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan funds shall be advanced to the Borrower as requested by Borrower and approved by the Government. Approval by the Government will be given provided the advance is requested for a purpose authorized by the Government. Interest shall accrue on the amount of each advance from its actual date as shown in the Record of Advances at the end of this note. Borrower authorized the Government to enter the amount(s) and date(s) of such advance(s) in the Record of Advances.

Position 2

For each rescheduled, reamortized or consolidated note for applications for Primary and Preservation Loan Service Programs received prior to November 28, 1990, interest accrued to the date of this instrument which is more than 90 days overdue shall be added to principal and such new principal shall accrue interest at the rate evidenced by this instrument. For applications for Primary and Preservation Loan Service Programs received on or after November 28, 1990, all unpaid interest accrued to the date of this instrument shall be added to the principal and such new principal shall accrue interest at the rate evidenced by this instrument.

Every payment made on any indebtedness evidenced by this note shall be applied first to a portion of any interest which accrues during the deferral period, second to accrued interest to the date of the payment on the note account and then to the principal. Nonprogram loans are not eligible for deferral.

Prepayments of scheduled installments, or any portion of these installments, may be made at any time at the option of the Borrower. Refunds and extra payments, as defined in the regulations (7 CFR § 1951.8) of the Farm Service Agency according to the source of funds involved, shall, after payment of interest, be applied to the last installments to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments as scheduled in this note.

If the Government at any time assigns this note and insures the payment of it, Borrower shall continue to make payments to the Government as collection agent for the holder. While this note is held by an insured holder, prepayments made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on an installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an installment due date basis shall be the date of the prepayment by Borrower, and the Government will pay the interest to which the holder is entitled accruing between such date and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection of this note or to preserve or protect any security for the loan or otherwise expended under the terms of any security agreement or other instrument executed in connection with the loan evidenced by this note, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced by this note and be immediately due and payable by Borrower to the Government without demand.

Property constructed, improved, purchased, or refinanced in whole or in part with the loan evidenced by this note shall not be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. Unless the Government consents otherwise in writing, Borrower will operate such property as a farm if this is a Farm Ownership loan.

If "Consolidation and subsequent loan," "Debt write down," "Consolidation," "Rescheduling," or "Reamortization" is indicated in the "Action Requiring Note" block in Item 9 above, this note is given to consolidate, reschedule or reamortize, but not in satisfaction of the unpaid principal and interest on the following described note(s) or assumption agreement(s) (new terms):

FUND CODE/ LOAN NO.	FACE AMOUNT	INTEREST RATE	DATE (include year)	ORIGINAL BORROWER	LAST INSTALL. DUE (include year)
44-01	\$ 68,320.00	5.00 %	09/10/1999	John M. Vest, Jr.	09/10/2006
	\$	%			
	\$	%			
	\$	%			
	\$	%			
	\$	%			
	\$	%			

Security instruments taken in connection with the loans evidenced by these described notes and other related obligations are not affected by this consolidating, rescheduling or reamortizing. These security instruments shall continue to remain in effect and the security given for the loans evidenced by the described notes shall continue to remain as security for the loan evidenced by this note, and for any other related obligations.

REFINANCING (GRADUATION) AGREEMENT: If at any time it shall appear to the Government that the Borrower may be able to obtain financing from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and period of time, Borrower will, at the Government's request, apply for and accept a loan(s) in sufficient amount to pay this note in full and, if the lender is a cooperative, to pay for any necessary stock. The provisions of this paragraph do not apply if the loan represented by this promissory note was made to the Borrower as a non-program loan.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

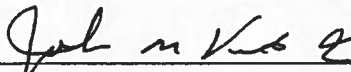
HIGHLY ERODIBLE LAND AND WETLAND CONSERVATION AGREEMENT: Borrower recognizes that the loan described in this note will be in default should any loan proceeds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity as further explained in 7 CFR Part 1940, Subpart G, Exhibit M. If (1) the term of the loan exceeds January 1, 1990, but not January 1, 1995, and (2) Borrower intends to produce an agricultural commodity on highly erodible land that is exempt from the restrictions of Exhibit M until either January 1, 1990, or two years after the Natural Resources Conservation Service (NRCS) has completed a soil survey for the Borrower's land, whichever is later, the Borrower further agrees that, prior to the loss of the exemption from the highly erodible land conservation restrictions found in 7 CFR Part 12, Borrower must demonstrate that Borrower is actively applying on that land which has been determined to be highly erodible, a conservation plan approved by the NRCS or the appropriate conservation district in accordance with NRCS's requirements. Furthermore, if the term of the loan exceeds January 1, 1995, Borrower further agrees that Borrower must demonstrate prior to January 1, 1995, that any production of an agricultural commodity on highly erodible land after that date will be done in compliance with a conservation system approved by NRCS or the appropriate conservation district in accordance with NRCS's requirements.

DEFAULT: Failure to pay when due any debt evidenced by this note or perform any covenant of agreement under this note shall constitute default under this and any other instrument evidencing a debt of Borrower owing to, insured or Guaranteed by the Government or securing or otherwise relating to such debt; and default under any such other instrument shall constitute default under this note. **UPON ANY SUCH DEFAULT,** the Government at its option may declare all or any part of any such indebtedness immediately due and payable.

This Note is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act, or the Emergency Agricultural Credit Adjustment Act of 1978 and for the type of loan as indicated in the "Kind of Loan" block above. This Note shall be subject to the present regulations of the Farm Service Agency and to its future regulations not inconsistent with the express provisions of this note.

Presentment, protest, and notice are waived.

(SEAL)


JOHN M. VEST, JR.

(Borrower)


North Garden, VA 22959

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE
\$		\$		\$	
\$		\$		\$	
\$		\$		\$	
\$		\$		\$	
TOTAL				\$	



COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

Office of the Clerk

May 22, 2014

AUGUSTA FSA COUNTY OFFICE
ATTN: JEFFERY C JONES FLM
70 DICK HUFF LANE
VERONA, VA 24482

RECEIVED JUN 03 2014

RECEIPT

RE: JOHN M VEST JR

DCN/FILE NO: 14-05-16-3946-9

ORIGINAL DCN/FILE NO: 09-06-02-7214-4

Dear Customer:

This is your receipt for \$20.00 covering the fees for filing a continuation statement with this office.

The effective date of the filing is May 16, 2014 at 01:21 PM.

If you have any questions, please call (804) 371-9733 or toll-free in Virginia, 1-866-722-2551.

Sincerely,

Joel H. Peck
Clerk of the Commission

FSACCEPT
FSC
CIS0509

